

Mail-In Bid for Public Auction Sale

I, the undersigned, bid \$ _____ on interest of ten (10) Oil & Gas Leases plus one (1) Oil/ Gas/ Mineral Lease located in **Runnels County, Texas**; offered for sale by public auction on Tuesday, November 10, 2009. I enclose my payment of \$ _____, which is **20%** of my **maximum bid** and authorize the enclosed payment to be applied against the sale price if I am the successful bidder. **MAIL-IN BID must be received by Friday November 6, 2009.** Deadline for remaining 80% of winning bid is due on or before **December 9, 2009.**

Increments are at the discretion of the auctioneer as dictated by the live bidding.

Increments to be no lower than \$100.00. I understand that this mail-in bid must be in auctioneer's possession at the time of sale to be included in the sale.

NOTE: the form of payment and/or bid must comply with the Terms of Payment as stated on the *Notice of Public Auction Sale*. **(DO NOT SEND CASH)**. Also, the property may not be used as collateral for a loan to purchase said property. If the highest bidder defaults in payment of the bid price, and the property is not sold for at least the amount of the highest bid, the bidder's deposit will be retained pending final determination of the damages the Government sustained because of the bidder's default. If damages are more than the amount of the bidder's deposit, the bidder will be liable for excess damages.

Interest of ten (10) Oil & Gas Leases plus one (1) Oil/ Gas/ Mineral Lease located in Runnels County, Texas as follows:

Ten Oil and Gas Leases located in Runnels County, Texas. One Oil, Gas & Mineral Lease in Runnels County, Texas.

- (1) Those certain five (5) Oil and Gas Leases from the hereinafter named Lessors to DBO Oil, Incorporated Lessee, and being : (a) Lease dated September 17, 1992, executed by H.B. Edmondson, Lessor, and recorded in Volume 80, Page 174, Official Public Records of Real Property, Runnels County, Texas; (b) Lease dated September 16, 1992, executed by Amax Oil & Gas, Inc, Lessor, and recorded in Volume 80, Page 473, Official Public Records of Real Property, Runnels County, Texas; (c) Lease dated September 15, 1992, executed by Henry R. Ketchum, Jr., Lessor, and recorded in Volume 80, Page 477, Official Public Records of Runnels County, Texas; (d) Lease dated July 23, 1992, executed by Ellen Paul Ketchum, Lessor, and recorded in Volume 80, Page 470, Official Public Records of Real Property, Runnels County, Texas; (e) Lease dated September 11, 1992, executed by Mary Virginia Eisenhower, Lessor, and recorded in Volume 80, Page 467, Official Public Records of Real Property, Runnels County, Texas; all of which leases cover that certain tract of and being 222.0 acres, more or less, out of the J.K. Thompson Survey No. 146, Abstract No. 1277, being the same land described in Deed from H.C. Wood to H.B. Edmondson, recorded in Volume 346, Page 372, Deed Records of Runnels County, Texas, and said 222.0 acre tract being more particularly described by metes and bounds in said leases.
- (2) Those certain three (3) Oil and Gas Leases being: (a) Lease dated October 17, 1955, executed by Mrs. Maude Vancil, Ralph Vancil and wife, Thelma Vancil and Delbert Vancil and wife Ruth Vancil to L.W. Wells, Jr., Lessee recorded in Volume 296, Page 204, Deed of Records of Runnels County, Texas; (b) Lease dated February 15, 1966, executed by Ralph G. Vancil and wife, Thelma Vancil and Delbert S. Vancil and wife Ruth Vancil, Lessor, to W.M. Waggoner, Lessee, and recorded in Volume 381, Page 17, Deed of Records of Runnels County, Texas; and which tracts are more particularly described by metes and bounds in said leases; and (c) Lease dated July 27, 1970, executed by

Delbert S. Vancil et al, to W.P. Carr, Lessee, and recorded in Volume Number 412, Page 477, Deed Records of Runnels County, Texas.

- (3) Those certain two (2) Oil and Gas Leases being: (a) Lease dated September 24, 1947, executed by Archie N. Wiley to Pan American Production Company, Lessee, recorded in Volume 211, Page 137, Deed Records of Runnels County, Texas; (b) Lease dated August 22, 1950, executed by Mabel Fowler Holliday, a widow, individually and as Independent Executrix of the estate of James F. Holliday, deceased, to Whiffen Estate, Incorporated Lessee, and recorded in Volume 243, Page 597, Deed Records of Runnels County, Texas; and which tracts are more particularly described by metes and bounds in said leases.
- (4) That one certain Oil, Gas and mineral Lease dated January 18, 1950, from C. C. Gray and wife, Leila Bell Gray to La Gloria Corporation, recorded in Volume 232, Page 547, Deed Records of Runnels County, Texas, and which tract is more particularly described by metes and bounds in said lease.

Please provide (Print) Bidder Information Below:

Name _____

Phone Number _____

Cell Number _____

Address: _____

E-Mail Address _____

Fax Number _____

Bid Increment up to my Maximum bid _____ (no lower than \$100.00)

By submitting this mail-in bid, I understand that:

This is a mail-in bid for a public auction sale, and it is not a sealed bid sale;

I must comply with all other conditions as stated in the Notice of Public Auction Sale

There are advantages that I am forgoing by not being present at the actual sale, such as inspecting the property, hearing any statement by the taxpayer or lien holders, and engaging in open, competitive bidding.

SIGNATURE OF BIDDER: _____

Submit the bid in a securely sealed envelope with your name, address and date of sale on the upper left corner of the envelope. Address to submit MAIL-IN BID and Deposit:

Internal Revenue Service

Attn: S. Massel, PALS

24000 Avila Rd; MS: 5905

Laguna Niguel, CA 92677

Annotate the envelope with the following statement: ' MAIL-IN BID - TO BE
OPENED BY PALS ONLY"

(IRS USE ONLY)

Total amount of successful bid \$_____

Deposit received \$_____

Balance received Date_____ \$_____

Certificate of Sale issued Date_____

Signature/Title _____

RETURN OF REMITTANCE TO UNSUCCESSFUL BIDDER

The deposit submitted with this bid was returned by Mail on _____, 20____

Signature/Title _____